

GROWTH POLICY

Conclusions And Recommendations

Accelerated General Plan Update
Planning Department
City of Sacramento
Sacramento, California

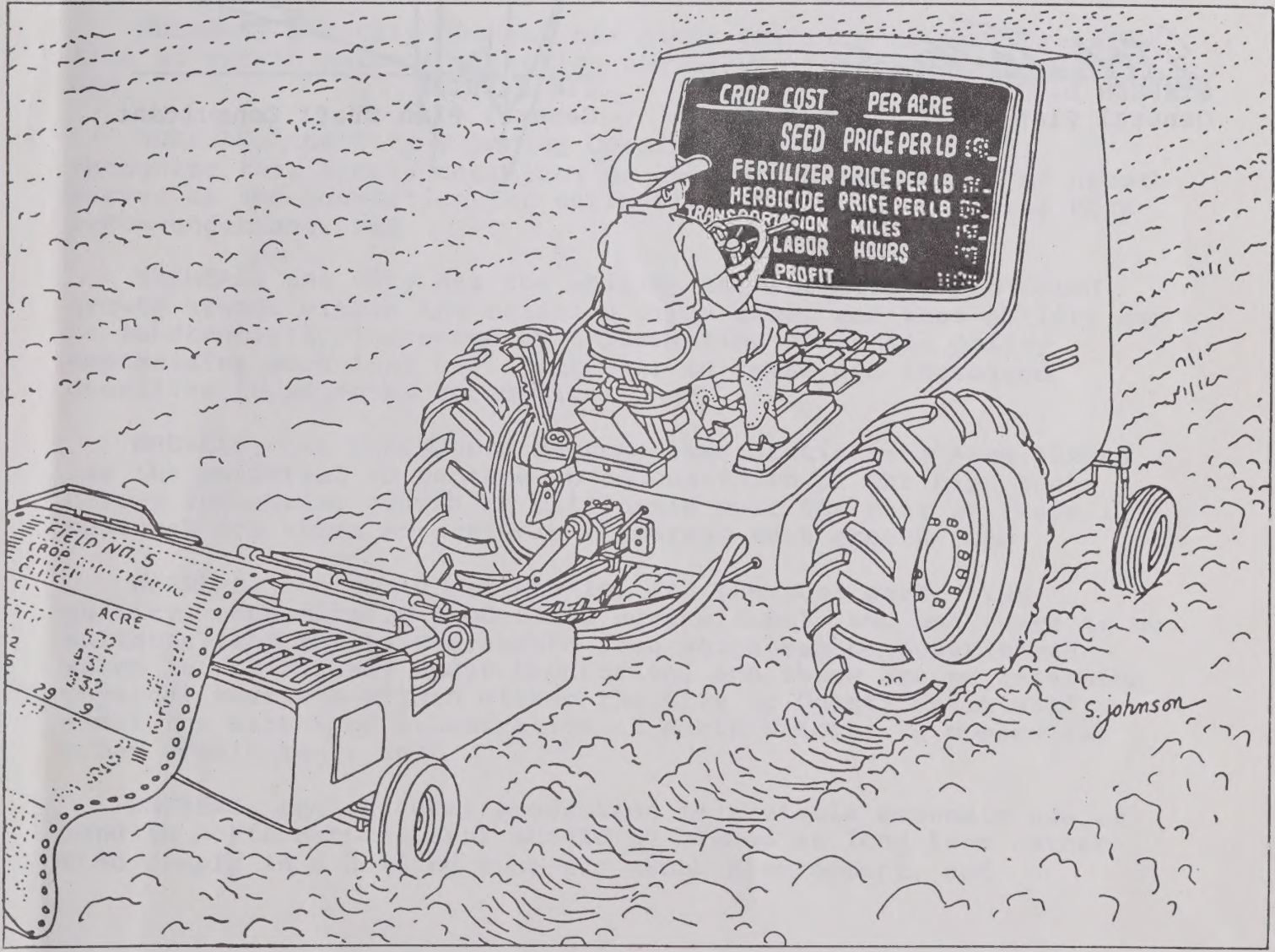
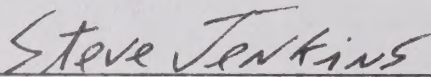


Illustration Courtesy of Steven M. Johnson Sacramento Bee

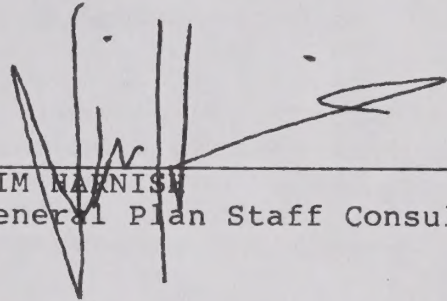
March 18, 1982

As amended and adopted by the City Planning Commission on April 1, 1982
and the City Council on April 13, 1982

This is the final report to be produced during the Growth Concept portion of the City's General Plan Update. It contains the conclusions and recommendations of the staff consultants and amendments of the City Planning Commission and City Council. These conclusions and recommendations are the synthesis of the past nine months of interviews, workshops, research and thought. The recommendations will provide direction to the Planning Department staff for the preparation of the full general plan update. Adoption of the recommendations as formal City policy will occur only after an environmental assessment of these and other general plan recommendations is prepared.



STEPHEN L. JENKINS
General Plan Staff Consultant



JIM HARNISH
General Plan Staff Consultant

RESOLUTION NO. 82-251

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

April 13, 1982

APPROVING GROWTH POLICY RECOMMENDATIONS FOR THE CITY OF SACRAMENTO (M-500)

WHEREAS, the City of Sacramento is currently in the process of updating its General Plan; and

WHEREAS, the City Council has given priority to early resolution of growth matters affecting the City's future development; and

WHEREAS, the City Planning Commission and City Council recognize that timely decisions on the nature and extent of growth serves as the foundation for definitive studies and General Plan recommendations; and

WHEREAS, the City has the ability to accommodate projected growth trends within the existing urban area, and that ability can be substantially increased by implementing an infill policy emphasizing such land use strategies as reuse and increased densities in selected communities; and

WHEREAS, the Sacramento Metropolitan Statistical Area (SMSA) has the potential to capture up to one-third of the high technology industrial growth in California over the next 20 years if measures are taken to actively encourage such growth; and

WHEREAS, the North Natomas is, for the most part, high quality, economically productive agricultural land and there is no suitable land in the Sacramento area which can be substituted which is not already under production; and there are no remaining physical barriers within either the City or County which will limit the extent of urbanization if North Natomas is opened for urban development; and

WHEREAS, agricultural production is a viable economic use of land in North Natomas that should be viewed as long term rather than simply in a holding zone for urban development; and

RESOLUTION No. 82-251

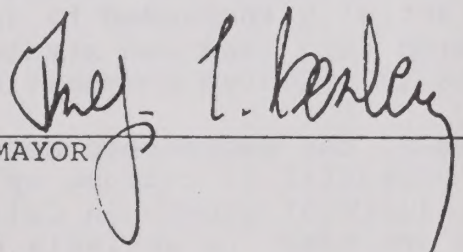
APR 13 1981

WHEREAS, the City can still capture a fair share of high technology industrial growth while adhering to its agricultural land preservation policies and preferred land use strategies by permitting industrial development in the southerly portion of the Meadowview area; and

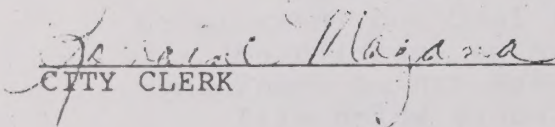
NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Sacramento approves the recommendations contained in the document entitled "Growth Policy - Conclusions and Recommendations" amended by the Planning Commission on April 1, 1982, including redesignation of the entire North Natomas area as "agriculture" in the General Plan;

BE IT FURTHER RESOLVED that the City Planning Department is directed to designate the Delta Shores area as a primary high technology development area for the City of Sacramento, and to accelerate the planning process for that area, including resolution of the Interstate 5 freeway interchange and former Route 148 relocation problems; and

BE IT FURTHER RESOLVED that the City Planning Department is directed to prepare the updated General Plan using the growth policy recommendations referenced above.


MAYOR

ATTEST:


CITY CLERK

M-500

RESOLUTION No. 82-251

APR 13 1981

NEED FOR A CITYWIDE GROWTH POLICY

PERSPECTIVE

Sacramento is at a critical point in its history. The City Council is being asked to make decisions which will affect the future growth and development patterns of the City (as well as the surrounding Metropolitan area) for many years to come. The City Council must also decide the degree to which it will choose to play a proactive role in guiding and shaping urban growth rather than a reactive role of merely responding to development pressures on a case by case basis whenever and wherever they may occur.

The Sacramento Metropolitan area has been identified as a prime growth area in Statewide and National publications. In addition, Sacramento's image has been widely promoted Nationwide and Worldwide by groups such as the Sacramento Area Commerce and Trade Organization (SACTO). The desirability of the Sacramento area is also enhanced by its excellent quality of life, large and stable labor force, relatively inexpensive land and housing prices, and an excellent location with respect to transportation corridors, recreation areas and the San Francisco Bay area. However, the perception of an area as a "growth area" can also result in increased land use and development pressures (whether speculative in nature or not) which, while not unique to Sacramento, must be dealt with by local decisionmakers.

The overall objective of the Growth Concept portion of the City's General Plan Update Program is to enable the City Council to formulate, adopt and adhere to a Citywide Growth Policy which indicates the manner in which future growth is to be accommodated with respect to the type, timing and location. Such a Policy is essential if the City is to deal with growth in an orderly and well planned manner. It is also important that the Growth Policy be stated clearly and concisely leaving no doubts among farmers, landowners, developers, and the community at large as to if and when particular lands will be permitted to develop. Without a firm and well thought out Growth Policy which is adopted and adhered to, development pressures will continue to place decisionmakers in a reactive position with respect to land use and development decisions.

SIGNIFICANCE OF THE NORTH NATOMAS DECISION

While the purpose of the Growth Concept portion of the City's General Plan Update Program is to formulate a Policy for dealing with growth on a Citywide basis, it is clear that the City Council's action with respect to the proposed development of North Natomas will, for all intents and purposes, establish the Growth Policy for the City.

The North Natomas area has been identified as one of the more desirable sites for the development of new high technology industries in the Sacramento Metropolitan area because of its proximity to the uncongested Interstate freeway system and Metropolitan airport, nearness to the downtown Central Business District, and the availability of large parcels of relatively inexpensive, undeveloped land owned by a few landowners. These features are intrinsic to the area, and will always make the North Natomas attractive for development regardless of whether a decision is made to open the area for urbanization now or at some time in the future.

As a practical matter, the development of the Interstate 5 and 880 freeway system through the area may have determined the future of the North Natomas years ago. The issues of urban expansion versus the protection of productive agricultural areas should have been put to rest at that time. The American River served as the only significant physical barrier or constraint to the northerly expansion of the urban area. Once the decision was made to cross the American River into the productive agricultural lands of South Natomas, Interstate 880 became the only remaining barrier to the continued expansion of urbanization northward. The Freeway in fact represents the last remaining effective barrier separating urbanization from the only area of productive agricultural land left within the City.

If urban development is permitted to cross Interstate 880, new public facilities and infrastructure will need to be extended in to the area. The City will be sending a clear signal to farmers, landowners, developers and other governmental jurisdictions that continued urban expansion, rather than infill or the protection of productive agricultural land, will be the City's Growth Policy--even to the north of Del Paso Road which is currently designated on the General Plan to remain "permanent agriculture".

SUMMARY OF RESEARCH

A great deal of research and study has been completed during the accelerated portion of the City's General Plan Update. A summary of the important points derived from that research is included below, and serves as the basis for the conclusions and recommendations which follow. A complete analysis of these points can be found in the various detailed studies undertaken as a part of the Growth Concept portion of the City's General Plan Update.

GROWTH POLICY AND GENERAL PLAN UPDATE

During the preparation of the Growth Concept portion of the City's General Plan Update Program, the Planning Commission and City Council were encouraged to provide policy guidance and direction to the Study. As a result, the following conclusions have been reached and will serve as the basic objectives to guide the preparation of the General Plan:

- 1) The Growth Policy and General Plan which are ultimately decided upon will be based on a set of policies reasonably defined and translated into specific objectives which can be measured, quantified, and regulated;
- 2) The Growth Policy and General Plan will be based upon projections through the year 1995, subject to review and modification after the first five-year period. Modifications earlier than the five-year period will only occur if specific findings of overriding social or environmental need are made.
- 3) Any actions taken or policies adopted with respect to the City's future growth will not result in a deterioration of our existing Quality of Life.
- 4) A diversification of the local employment base needs to occur, particularly with respect to the manufacturing sector, ~~but not to a degree which is inconsistent.~~ Measures taken in pursuit of this objective, however, must be consistent with the other objectives of the General Plan Update. (City Planning Commission amendment of 4-1-82)
- 5) The City will take action to maintain and improve its environmental quality, including striving to achieve and maintain federal air and water quality standards.

- 6) The preservation of productive agricultural land will continue as an important and viable City policy, and the conversion of such lands to urban uses will only occur based on compelling and overriding community needs. (City Planning Commission amendment of 4-1-82)
- 7) New urban growth will pay its own way on a Citywide basis by providing the required public facilities and services as development proceeds, including a balance between new jobs created and the construction of an adequate supply of residential units to house the workforce.
- 8) The City will support the maintenance of an adequate and reasonably affordable housing supply by taking actions which help to minimize increased housing costs and accommodate enough new housing units to keep pace with the projected need.
- 9) The General Plan should maintain a balanced and continuing supply of industrial, commercial and residential land to meet the projected needs.
- 10) The General Plan should be based on infill, reuse, and increased densities in selected communities (rather than continued expansion into outlying areas) as the favored land use strategies for accommodating urban development.
- 11) For the purpose of updating the City's General Plan to the year 1995, the City will accommodate projected population and employment growth rather than restricting or encouraging additional growth.

DIVERSIFICATION OF THE LOCAL ECONOMY

Prior to the passage of Proposition 13 the governmental sector had been the primary source of job growth within the Sacramento area. In 1980, government comprised 34% of total local jobs as opposed to 17% Statewide. By comparison, manufacturing represented 7% of the local jobs versus 20% Statewide.

Following Proposition 13, projections are that the government sector will continue to grow but at a much slower rate. The large government workforce has and will continue to provide a stability to the local economy insulating Sacramento from many of the economic ills being felt elsewhere by traditional "one company towns".

Concern has been expressed by many in Sacramento that given the slow growth rate projected for government, and the disproportionately low share of local manufacturing jobs, some level of diversification away from government and into a faster growing manufacturing employment base is essential in order to maintain the long range economic health of the region. Interest expressed in the Sacramento area by several high technology industries has served as a focus for this issue. It is important, however, not to rely too heavily on any one industry, especially given the volatile nature of high technology and the lessons learned by many from a too heavy dependence on Aerojet in the 1960's.

A recent study by Angus McDonald and Associates indicates that by 1995 the Sacramento Metropolitan area can expect between 21,600 and 60,200 new jobs in high technology industries, requiring between 540-1,505 acres of high quality industrial land.

There are between 1,445-3,100 acres of land presently available within the Sacramento Metropolitan area which is deemed suitable for high technology industry.

Based on the continuation of existing trends, the City of Sacramento will need to make available 173 acres for high technology industries by 1995 in order to capture its historical 32% share of industrial employment (by place of residence) within the region. If a 20-40% oversupply of land is made available to ensure competition among sites and take into account the uncertainty of long range projections, then 208-242 acres, respectively, would need to be available within the City by 1995.

From a purely locational standpoint the North Natomas area is one of the more desirable areas within the entire Metropolitan area for high technology industries. Landowners indicate that approximately 1,200 acres could be made available for such uses. However, because the area lacks industrial zoning, public facilities and infrastructure, and appropriate designations on the City's General Plan, it would not be available for development for at least five years. In addition, concern about the loss of productive agricultural land and the continued expansion of the urban area raise serious questions about the desirability of opening this area of the City to urban development.

Another desirable location within the City for high technology industries is located in the Delta Shores area near Freeport. Approximately 350 acres are proposed for such uses by the landowners. The area is adjacent to existing urban development, public facilities and infrastructure, and could be available for development by 1985. The area has previously been approved for urbanization by the City.

The only sites presently available within the City which have been identified as being desirable for high technology industries represent approximately 178 acres in the Norwood-Northgate area of North Sacramento. The 57 acre Norwood Tech Center is presently being marketed for such uses. Land in this area is already zoned and ready for development but does not contain the 100+ acre parcel sizes deemed most desirable by the larger high tech industries.

However, stronger efforts are also needed to market the desirable qualities of various vacant parcels for high technology industrial use on an infill basis throughout the existing urban area, especially along Interstate 80/880 and Highway 160 in North Sacramento.

POPULATION AND EMPLOYMENT GROWTH

The most current projections for population growth within the existing City limits (not including additional growth in High Technology employment) for the period ending 1995 are as follows:

	<u>1980</u> <u>Census</u>	<u>1985</u>	<u>1990</u>	<u>1995</u>
TOTAL:	<u>275,741</u>	<u>314,455</u>	<u>350,932</u>	<u>381,463</u>
INCREASE:	0	38,714	36,477	30,531

Approximately 67% of the projected population increase will be due to in-migration, while 33% will be due to the natural increase of people already living in Sacramento.

Additional population growth within present City limits (due to the projected continuation of existing growth rates for High Technology industries, secondary employment plus families within the Sacramento SMSA) can be derived from a recent study by Angus McDonald and Associates, and is shown below. This growth would be in addition to the above population projections and is based on continuation of the City's historic 32% capture rate for industrial employment within the SMSA:

	<u>1985</u>	<u>1990</u>	<u>1995</u>
INCREASE:	7,240	14,479	21,719

According to the McDonald Study approximately 85% of the additional population increase due to High Technology employment would be due to in-migration and new resident workers, while only 15% would be due to the hiring of existing unemployed residents living in the Sacramento area.

The total projected population increase for the City between 1980 and 1995 (including that due to High Technology employment) would be 127,441 people or a 46% increase above 1980 Census figures:

	<u>1980</u>	<u>1985</u>	<u>1990</u>	<u>1995</u>
TOTAL:	275,741	321,695	365,411	403,182

HOUSING

A) Need

Translating the most current projections for population growth within existing City limits (not including additional growth in High Technology employment) into required dwelling units results in the following:

	<u>1980</u>	<u>1985</u>	<u>1990</u>	<u>1995</u>
TOTAL:	<u>114,497</u>	<u>131,706</u>	<u>147,066</u>	<u>159,514</u>
INCREASE:	0	17,209	15,360	12,448

Additional population growth within present City limits due to projected High Technology growth, secondary employment plus families would require the following additional number of dwelling units:

	<u>1985</u>	<u>1990</u>	<u>1995</u>
INCREASE:	3,336	6,673	10,010

NOTE: Dwelling unit data is based on 2.3 people per unit, and totals have been increased by 6% to reflect an adequate vacancy factor.

The total projected dwelling unit increase for the City between 1980 and 1995 (including that due to High Technology employment) is shown below and would require the construction of 55,027 new dwelling units, or an average of 3,668 units per year. This compares with the average 1976-80 Citywide dwelling unit buildout rate of 3,248 units and a high of 5,677 units built in 1979. In 1981, permits were issued for only 1,518 units.

	<u>1980</u>	<u>1985</u>	<u>1990</u>	<u>1995</u>
TOTAL:	114,497	135,042	153,739	169,524

B) Supply

According to the May 1980 Vacant Land Survey prepared by the City Planning Department, the City presently has sufficient vacant residential land (unhindered by any constraints to development) which would accommodate 43,744 dwelling units or 79% of the 1995 needs. Of this total, 28,323 units have already received either tentative or final subdivision approval by the City, representing a staggering 8.7 year housing supply based on the average 1976-80 Citywide dwelling unit buildout rate.

The Vacant Land Survey also indicates that an additional 12,352 dwelling units could be built on existing vacant residential land within the City but are constrained from development by restrictive or inconsistent zoning regulations (or the lack of sewers in the South Pocket area). For the purposes of this Study it is assumed that such constraints will be removed by 1990.

Increased residential densities, reduced lot sizes, and the reuse or redevelopment of various underutilized parcels of land and proposed light rail corridor within the existing urban area could reasonably accommodate an additional 41,200 dwelling units within the City.

As can be seen by comparing projected housing needs of 55,027 new units with the potential holding capacity of residential lands within the existing urban area (56,096 to 97,296 unit capacity), the City can accommodate the projected 1995 housing demand by an infill policy without urbanizing outlying areas.

AGRICULTURE

The Natomas area north of Interstate 880 is the only remaining large, productive, non-urbanized agricultural area within the City.

During the nine-year period between 1972-80 the City permitted the conversion of 4,916 acres of productive agricultural land to urban uses in the South Natomas, Pocket and South Sacramento communities which were formerly the most important agricultural areas in the City. This represents an average of 553 acres converted per year; or an area which is 86% of the size of the remaining agricultural land within the City portion of North Natomas.

An agricultural study prepared for the City by Mundie and Associates concludes that:

- 1) Land in the North Natomas is generally good quality agricultural land, much of which would be considered prime farmland. The combination of good soils, climatic characteristics and a dependable water supply make the North Natomas particularly well suited to continued agricultural production.
- 2) There is little land available in Sacramento, Sutter or Yolo counties possessing the qualities of North Natomas land which is not already in production.
- 3) Other land which could be brought into production to substitute for North Natomas land has associated with it a variety of costs such as capital costs for the development of new cropland and higher production costs stemming from inferior production conditions and lower crop yields.

Adequate quantities of land suitable for residential and industrial development necessary to meet projected demands through 1995 exist within the City and throughout the Metropolitan area without opening the North Natomas to urbanization.

If the North Natomas is to be retained for agricultural use over the long term then the City Council must send a clear signal to that effect to farmers, developers, landowners and the community at large in order to reduce the increasing pressures on land prices caused by the expectation of urbanization and which make farming unprofitable.

FINANCIAL IMPACTS ON GOVERNMENT

The Planning Commission and City Council have determined that for the purpose of updating the City's General Plan for the period ending 1995, all new growth within the City should pay for itself by providing capital facilities, infrastructure and ongoing

revenues sufficient permanently service new urban development. This is not to say that each project must provide a net revenue to the City, but is in recognition of the fact that the City no longer has the financial resources to provide such facilities.

Based on the assumption that the private sector will pay the cost of new public facilities, a fiscal analysis of growth prepared for the City by Recht Hausrath and Associates concludes that new development will generate revenues which exceed the cost of operation, maintenance and the provision of City services. This conclusion is based on the critical assumption that developers will be responsible for all costs of providing such public facilities as freeway interchanges, streets and highways, sewer, water and drainage facilities and other infrastructure. The magnitude of any net revenue gain to the City will depend on the proportion of new residential dwelling units which are constructed within the City as opposed to being located within other governmental jurisdictions.

As a practical reality, there is serious concern over the impact on housing costs if all public costs are borne by each new specific development, recognizing that some equitable treatment of new development as compared to existing development is necessary. Additional consideration should, therefore, be given to alternative methods for financing long term capital outlay needs of urban growth. Requiring new developments to pay all costs of providing public facilities will place a disproportionate share of the cost of City facilities on newcomers. Major capital facilities benefit everyone - residents, business and industry. If we are not careful, residents will pay a greater and greater share of public facility costs. Since everyone shares in the benefits, everyone should share the costs. (City Planning Commission amendment of 4-1-82)

FURTHER CONSIDERATIONS

In addition to the research conducted to date, another segment of information has influence on the conclusions and recommendations contained in this report. The following discussion represents some miscellaneous impressions and concerns which have developed over the course of this Study.

QUALITY OF LIFE

First, there is a great concern over the issue of quality of life. It seems clear that to maintain some reasonable level of our existing quality of life, the Sacramento area cannot continue to accept just any level of population growth which comes along. At the same time, the negative aspects of a growth limitation program are too onerous for most local officials to accept. The result is that with tools available to at best simply direct and manage growth, the eventual result is a community which continues to lose those qualities which keep or attract many of us here.

Some people argue that growth is precisely what we need to improve our quality of life. To those people quality of life tends to be represented by economic activity, a positive business climate and attitude, low unemployment and a popular, attractive community. The problem is that the industrial development and economic growth will benefit relatively few of us--the few existing residents who will find jobs here and the landowners and developers. The majority of the new jobs however, will go to people who today are living in Southern California, the Bay Area and other parts of the country. To most of us living and working here today, increased levels of growth will mean higher housing costs, increased congestion and decreased environmental quality.

INDUSTRIAL LAND USE

The needs of all people, whether residents or not, have some value in our decisions. However, it would seem that the interests of most of us presently living here would best be represented by a reduced level of growth primarily oriented toward improving deteriorated or transitioning inner-city or suburban areas rather than into urban fringe and productive agricultural lands which could accommodate large new clusters of high tech electronics firms.

This raises a second concern. Very little emphasis is given to high tech development in existing urban areas. Suitable land for high tech development seems to be synonymous with urban fringe open space; large tracts of land removed from our urban centers. Yet the bulk of the work force for these new industries will have to travel significant distances to get to work. Further, it seems that any firm worthy of our interest and attention should be willing to contribute something more to the community. Those contributions should include a willingness to renew and revitalize the community in which the industry is going to make its home.

INDUSTRIAL GROWTH

Given the extremely large supply of vacant industrially zoned land presently available in the Metropolitan area, local governments have little control over the amount and location of new industrial growth. Many people may not want to control this growth at all. However, the "enhanced" growth projection in the McDonald report, which suggests that the Sacramento area could capture one-third of all high tech growth in California, represents at least a doubling of our population growth rate. And this could occur by using less than half of the currently available industrial land. Should the McDonald projections be low, as projections were low in Santa Clara County, and should even more lands need to be opened for industrial development (such as North Natomas and Delta Shores), the Sacramento area could be looking at unacceptable levels of growth with no mechanisms to control such change.

HOUSING COSTS

Because the supply of available land is finite no matter what programs might be developed, it is clear that increased growth and development will eventually lead to increased housing costs. It is happening in every urban area in the country. The faster and larger we grow, the more expensive our houses are going to get. High levels of growth simply do not make much economic sense from a housing perspective. (City Planning Commission amendment of 4-1-82)

AGRICULTURAL LAND USE

There is further concern about the agricultural land issue. From all the literature available, our best agricultural lands are either under production or have already been urbanized. New land put under cultivation will take more time, energy, and money for lower levels of production. The results are higher consumer prices, and ultimately, less food. Local governments simply have to draw some final line beyond which agricultural land will not be

converted to urban uses. The City does not need to permit development in the North Natomas area. The City does need to make its contribution to preservation of agricultural lands. The North Natomas area is the only chance left to make such a contribution.

TAX BASE

There seems to be little disagreement with the position that industrial and population growth issues are regional in nature. Increases in population and economic activity do not respect political boundaries. Air pollution and congestion do not respect political boundaries. However, tax revenues and service demands do respect political boundaries. A root of the problems in the Santa Clara County area in the past has been a willingness of local governments to accept the benefits of an increased tax base and an unwillingness to accept an equitable share of the service burdens. While many public officials in the Sacramento area have acknowledged concerns over this issue, a move in that direction may already be occurring with the planning in the South Placer County area. At least it is the perception of many Sacramento officials that South Placer County governments expect to capture some share of the industrial and commercial tax base without a commensurate share of the service burdens (primarily housing).

Further, it is now clear that if the North Natomas area is permitted to develop primarily as a high tech industrial center, the burden for providing housing and related educational and recreational services associated with the industrial growth will most likely be shifted to the City's neighbors--primarily Sacramento County.

EMPLOYING CURRENT SACRAMENTO RESIDENTS

The only way we are going to avoid the extreme problems some of the fast growing high tech centers are experiencing is to cause a higher percentage of current residents to be employed by new industry than typically occurs. McDonald and Associates projects at best only 13% of the new jobs will be filled by presently unemployed residents. If over 85% of the new jobs created here will be filled by immigrants and new resident workers there is little foundation for supporting such job creation on the basis of solving local unemployment problems. The immigration created under such a future represents primarily more people, more congestion, more air pollution, reduced quality of life and less agricultural land. Something must be done to cause a higher rate of local employment if there can be any justification for the effort to attract high tech industry here.

CONCLUSIONS

INDUSTRIAL GROWTH

- 1) The Sacramento Metropolitan Statistical Area (SMSA) has the potential to capture up to one-third of the high tech growth in California over the next 20 years if measures are taken to actively encourage such growth.
- 2) Even if the City does not open any new industrial land for development, there are sufficient suitable sites in the SMSA to accommodate the highest levels of projected high tech industrial growth.
- 3) The City can still capture a fair share of high tech industrial growth while adhering to its agricultural land preservation policies and preferred land use strategies by permitting industrial development in the Delta Shores area.

EMPLOYMENT GROWTH

- 1) Relatively few of the new jobs created by the high tech industry will be filled by current unemployed Sacramento residents; an estimated 85% of the new jobs will be filled by inmigrants or new resident workers.

NORTH NATOMAS

- 1) Due primarily to its location, the North Natomas area is one of the more desirable sites within the Metropolitan area for the development of high technology industries.
- 2) The North Natomas is, for the most part, high quality, economically productive agricultural land and there is no suitable land in the Sacramento area which can be substituted which is not already under production.
- 3) Development of the North Natomas is not necessary at this time considering the sizable undeveloped industrially zoned acreage in the adjoining County unincorporated portion of North Natomas (Northgate area). Several studies indicate that sufficient land is available Citywide to accommodate the projected demand for high technology industries, office space and residential uses through the mid 1990's without opening up the North Natomas.
- 4) If North Natomas is opened for urban development, there are no remaining physical barriers within either the City or County which will limit the extent of urbanization in that area.

AGRICULTURAL LAND PRESERVATION

- 1) The City has only one remaining opportunity to maintain a meaningful agricultural policy. If some of the North Natomas area is permitted to develop, it will be done with the understanding that the City will have no further need for agricultural policies.
- 2) Agricultural production is a viable economic use of land. Agricultural land use in the North Natomas area can and should be viewed as long term land use rather than simply a holding zone for urban development.
- 3) When agricultural lands which are or have been productive are proposed for urbanization, it should be the responsibility of the landowner to show a compelling community need to do so and that other more suitable areas for development do not exist elsewhere.

CITY GROWTH CAPACITY

- 1) The City has the ability to accommodate projected growth trends within the existing urban area through the year 1995, and that ability can be substantially increased by implementing an infill policy emphasizing such land use strategies as reuse and increased densities in selected communities.
- 2) Projected growth rates will put great pressure on our existing quality of life and environmental quality. Higher levels of growth will further increase such pressures.

FISCAL ANALYSIS

- 1) The proposed development of new lands for high tech industry will result in a net revenue gain to the City (even if a commensurate amount of residential growth occurs in the City) as long as the developers pay for all of the necessary public facilities.

LINKING JOBS WITH HOUSING

- 1) The City of Sacramento currently is making provision for residential land sufficient to house planned industrial growth through the year 1995. The proposed industrial development of North Natomas would eliminate such a jobs/housing balance. (City Council amendment of 4-13-82)

LINKING JOBS WITH THE UNEMPLOYED

- 1) New industrial growth probably won't solve local unemployment problems without programs designed to increase the percentage of local hiring by new industry. Such programs should include training and/or re-training of the locally unemployed, and should be the responsibility of the industries who seek to locate here.

RECOMMENDATIONS

A basic concept has emerged after considering all of the previous discussion. The concept is that whatever the City does should be in the best interests of its residents as a whole. The proposal to open the North Natomas area to high tech industrial development represents both opportunities and costs for the City's residents. After reviewing all of the information gathered over the past nine months, it is apparent that the opportunities are generally outweighed by the costs. The gains in economic diversification and employment opportunities seem to be outweighed by the likely increases in population, congestion and environmental degradation. The gains in tax revenue seem to be outweighed by the loss of agricultural land and the adverse regional impacts. And finally, most of the opportunities represented by North Natomas development can be realized through development in alternative areas (such as Delta Shores) which have fewer probable costs.

Therefore, the recommendations which follow start with the premise that the need to open the agricultural area of North Natomas prior to 1995 has not been adequately demonstrated. It is recommended that the City Planning Commission and City Council instruct the Planning Department to not consider urbanization of any of the agricultural area north of Interstate 880 during the current general plan update. However, it is also recommended that the North Natomas development issue not simply be left there. A recommendation at the end of this section suggests steps to be taken with regard to North Natomas.

GENERAL PLAN UPDATE

It is recommended that the City Planning Commission and City Council re-affirm the objectives listed on pages 3-4 of this report as the direction which will guide the preparation of the updated General Plan.

RESIDENTIAL LAND USE STRATEGIES

It is recommended that the City give priority to implementing its preferred land use strategies. All three strategies (infill, reuse, and increased densities) involve controversy and difficulty. If the general plan is to be reasonably based on specific population projections, assumptions about where those people are going to live have to be realistic. Therefore, the following actions are recommended for investigation during the next phase of the General Plan Update:

- 1) Specific incentives should be developed to encourage infilling in identified areas. Such incentives ~~should~~ could include fast track processing, reduced fees, and other preferential treatment as outlined in the Questor Study commissioned by the City. (City Planning Commission amendment of 4-1-82)
- 2) A task force composed of representatives of City Departments and led by the Planning Department should be designated by the City Council to help identify appropriate reuse and increased density areas within the urban area based on the adequacy of public services, facilities and infrastructure.
- 3) Specific standards and an incentive program should be developed by the Planning Department to guide the reuse effort. Once areas are identified, the City should encourage private sector cooperation through publicity and redevelopment agency support.
- 4) Specific community by community policies for increased densities should be developed and enforced, including the establishment of minimum densities and zoning ordinance revisions where necessary.

HOUSING COSTS

A critical concern for our community is increasing housing costs. The concern becomes even greater if an "enhanced growth" effort is instituted. If the supply of housing is not adequate to keep up with the demand created by a rapidly increasing employment base, housing costs will increase substantially. (City Planning Commission amendment of 4-1-82) It is essential that the City take some action to minimize housing cost increases. With that concern the following recommendations are made for investigation during the next phase of the General Plan Update:

- 1) The preferred land use strategies should be specifically linked to lowering housing costs through increased density, efficient land use, and smaller lots.
- 2) The City Council should initiate major changes to the zoning and subdivision ordinances, including reduced minimum lot size, reduced street widths, decreased building code standards where safe, and encouragement of mobilehome, factory built housing and in-law units where appropriate.

INDUSTRIAL/COMMERCIAL LAND USE

A major new element of land use planning in this area is employment growth. It is clear from the experience of other larger, fast growing urban areas that substantial increases in employment opportunities present major challenges to local government. It is therefore recommended that:

- 1) All planning for industrial and commercial land use in the City should be undertaken first on a regional basis allocated by jurisdiction. Such a process should avoid over-optimistic or pessimistic planning projections and could be coordinated by SACOG.
- 2) The City should initiate a 3 county task force (Sacramento, Yolo and Placer) to seriously explore the potential for some form of tax base sharing program. The purpose of such a task force would be to 1) reduce interjurisdictional competition for limited industrial and commercial growth, and 2) develop regional solutions to the jobs/housing link issue.
- 3) Major incentives and requirements for industrial development in reuse areas should be developed. In particular, the potential for inner-city high tech development should be a high priority for new industries locating in Sacramento especially near McClellan Air Force Base, along Interstate 80/880, and Highway 160 in North Sacramento.
- 4) The City's zoning ordinance should be amended to add a new high quality industrial park zoning district which will include industrial performance standards, toxic chemical use restrictions, and aesthetic requirements.
- 5) A monitoring system should be developed to permit the City to keep track of how much new industry has come to the area and what proportion of immigrants comprise their work force.
- 6) Performance standards should be developed in conjunction with existing employment related agencies which establish minimum resident employment objectives for new industries. Such an arrangement should include the establishment of training programs which place an emphasis on hiring the locally unemployed.

NORTH NATOMAS

It is recommended that the North Natomas portion of the City not be opened for urban development during the 1995 time frame of this General Plan Update. Instead, it is recommended that the City policy be to support continued agricultural production in the area.

It is recommended that the emphasis of the General Plan be to direct urban development away from the North Natomas and into existing urbanized areas consistent with the recommendations regarding residential land use strategies, industrial land uses and housing costs. It is most likely that due to its attractiveness, if the North Natomas area is opened for development, interest in infill and Delta Shores will be substantially reduced.

It is recommended that the City Council send a clear signal to the farming and land investment interests that North Natomas will continue in agricultural land use by eliminating 1) the agricultural urban reserve designation from the 1974 General Plan for that portion of North Natomas south of Del Paso Road, and 2) the permanent agriculture designation from the 1974 General Plan for that portion of North Natomas north of Del Paso Road and by redesignating the entire North Natomas as "permanent agriculture". Such an action will reduce development pressures, increase support for the agricultural industry in Sacramento County, and reduce the speculative pressures on land prices which help to make farming unprofitable. (City Council amendment of 4-13-82)

DELTA SHORES

It is recommended that, in order to meet the projected high tech demand through the year 1995, the City's General Plan designate 250 acres of land in the Delta Shores area to be reserved exclusively for high technology industries requiring a high quality campus-like environment (this represents a 40% oversupply of land necessary to meet the demands for the high tech industry in the City through the year 1995). Although not expected to be needed during the time frame of this General Plan, an additional area of 100 acres should be designated in an appropriate holding zone category to be used exclusively for either 1) high technology industry upon buildout of the initial 250 acre parcel or 1995 whichever occurs last, or 2) residential land uses if sufficient housing units are not available to accommodate the needs of the work force from the buildout of the initial 250 acres.

It is recommended that as the industrial development of the Delta Shores area proceeds, the number of residential building permits and vacancy factors for existing dwelling units in the Pocket, Meadowview and South Sacramento communities be monitored to ensure that an adequate supply of housing units are available at price ranges which are affordable to the various categories of employee households at those industrial developments.

The City Planning Department is directed to designate the Delta Shores area as a primary high technology development area for the City, and to accelerate the planning process for that area, including resolution of the Interstate 5 freeway interchange and former Route 148 relocation problems. (City Council amendment of 4-13-82)

U.C. BERKELEY LIBRARIES



C124888455